



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Authorize the Mayor, on Behalf of the City Council, to Send a Letter of Opposition to HR 1002 – Wireless Tax Fairness Act of 2011

MEETING DATE: April 6, 2011

PREPARED BY: City Manager

RECOMMENDED ACTION: Authorize the Mayor, on behalf of the City Council, to send a letter of opposition to HR 1002 – Wireless Tax Fairness Act of 2011.


BACKGROUND INFORMATION: The City was asked by the League of California Cities to oppose HR 1002 regarding the Wireless Tax Fairness Act of 2011 and send a letter of opposition regarding the same to Congressman McNerney.

HR 1002 would impose a five-year moratorium on state and local taxes on mobile services and the providers of mobile services that are levied beyond generally imposed rates. The legislation would remove a much needed local government revenue source and undermine the efforts of a number of cities in California that are working to update and simplify their tax ordinances to assure technology-neutrality. While the City of Lodi does not currently have a Utility Users Tax (UUT), it is important to preserve the right of our citizens to make adjustments to local financing mechanisms through their local voting powers.

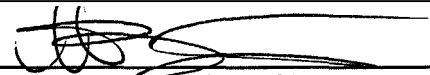
Therefore it is requested that the City Council consider and ultimately authorize a letter of opposition to be sent to the City's congressional representative.

FISCAL IMPACT: Not applicable at this time.

FUNDING AVAILABLE: Not applicable at this time.


Konradt Bartlam
City Manager

APPROVED:


Konradt Bartlam, City Manager

CITY COUNCIL

BOB JOHNSON, Mayor
JOANNE MOUNCE,
Mayor Pro Tempore
LARRY D. HANSEN
PHIL KATZAKIAN
ALAN NAKANISHI

CITY OF LODI

CITY HALL, 221 WEST PINE STREET
P.O. BOX 3006
LODI, CALIFORNIA 95241-1910
(209) 333-6702 / FAX (209) 333-6807
www.lodi.gov cityclerk@lodi.gov

KONRADT BARTLAM,
City Manager
RANDI JOHL, City Clerk
D. STEPHEN SCHWABAUER
City Attorney

April 6, 2011

The Honorable Jerry McNerney
U.S. House of Representatives
1210 Longworth House Office Building
Washington, DC 20515

SUBJECT: Oppose Legislation That Would Reduce Critical Local Government Revenue

Dear Congressman McNerney:

On behalf of the City of Lodi I am writing to urge you to oppose HR 1002-The Wireless Tax Fairness Act. This legislation seeks to preempt local revenue generating authority during a difficult national economic environment when we need maximum flexibility to respond to local challenges.

Many cities in California impose a Utility Users Tax (UUT) broadly among many types of utilities (e.g., telephone, gas, electric, water, sewer, cable television) in a technology-neutral manner that is comparable to the rate of generally imposed taxes. This is a tax that is voter-approved pursuant to state law, and which requires any increase in taxes to provide local services to be first approved by the voters. Revenue derived from the UUT provides assistance to the cities' general purpose revenues, and is critical to providing important services, including police, fire and emergency response, as well as library, parks and recreation. This is a significant source of revenue that is desperately needed as cities struggle to provide services while facing significant revenue losses resulting from the national mortgage foreclosure crisis.

As we continue to work to meet the challenges of the current budget environment our cities need to maintain the authority to work directly with our residents to make adjustments to local financing mechanisms. Without this authority we are stifled in our efforts to maintain current services and left powerless to shape the future of our communities. HR 1002 would obstruct this authority and prevent voter input on local revenue measures impacting all residents. As such, I urge you to oppose this legislation.

Thank you for your consideration of this important request.

Sincerely,

Bob Johnson
Mayor

cc: Jennifer Whiting, League of California Cities

Randi Johl

Subject: FW: Opposition Ltrs on HR 1002 - Wireless Tax Fairness Act of 2011 ■

Attachments: DRAFT Cities Letter.docx; Oppose HR 1002 - McCarthy.pdf

From: Stephen R. Qualls [mailto:squalls@cacities.org]

Sent: Wed 3/23/2011 1:03 PM

To: Rod Butler (rbutler@ci.patterson.ca.us); Bryan Whitemyer; Sheila Cumberland (Sheila.Cumberland@ci.ceres.ca.us); Mike.Locke@ci.stockton.ca.us; Vickie Lewis (vlewis@livingstoncity.com); Mitzi Ortiz (mortiz@ci.lathrop.ca.us); mholand@cityofnewman.com; kmclaughlin@ci.manteca.ca.us; jhall@cityofripon.org; maria.hurtado@ci.tracy.ca.us; Kathy Espinoza; Joann Tilton; directordebby@manteca.org; Linda Abid - Cummings ; vhernandez@; rchurchilljr@comcast.net; walkerd@cityofmerced.org; Bridget Gaines; JoAnne Mounce; Rhonda Greenlee; Stephanie Lopez; gnyhoff@modestogov.com; spinkerton@ci.manteca.ca.us; Davidson, Dana; jfaul@atwater.org; Randi Johl; jsmart@modestogov.com; connie.cochran@ci.stockton.ca.us; Mary Kelly; Florence Low; Elbert Holman; bramblej@cityofmerced.org; Kellie Weaver; Jordan Ayers; mayor@ci.stockton.ca.us; ckeaten@ci.lathrop.ca.us; Dominic Farinha; Susan Lake; Gary Hampton; dist2@ci.stockton.ca.us; Maria Becerra; rwasden@turlock.ca.us; Gary Dickson; dbarnes@livingstoncity.com; Jeff Hood; carol.marshall@ci.stockton.ca.us; cblack@ci.chowchilla.ca.us; joe.maestretti@ci.stockton.ca.us; dwilliams-ridley@modestogov.com; cityclerk@hughson.org; Rad Bartlam; togden@riverbank.org; Bob Deis; davidrichards@angelscamp.gov; tmiller@mlode.com; tfoley@modestogov.com; mhernandez@riverbank.org; jridenour@modestogov.com; city@dospalos.org; cmgr@riverbank.org; rwarne@livingstoncity.com; gwellman@atwater.org; lcompton@cityofripon.org; ggreeson@cityofgustine.com; admin@cityofwaterford.org; SHallam@ci.oakdale.ca.us; Brad.Kilger@ci.ceres.ca.us; Jim Marshall; adewerk@ci.ceres.ca.us; citymanager@ci.lathrop.ca.us; citymgr@losbanos.org; diperez@modestogov.com; gcarrington@atwater.org; gcook@modestogov.com; Kathy.Miller@ci.stockton.ca.us

Subject: Opposition Ltrs on HR 1002 - Wireless Tax Fairness Act of 2011

Attached are two letters in opposition to HR 1002, the first is an example of the Opposition letter from the League. This letter is being delivered to the California delegation tomorrow. The second is a sample Opposition letter for you to please sign and deliver. This is the same bill as last year (HR 1521 - Cell Tax Fairness Act) that many cities opposed, so they may have existing policy.

HR 1002 would impose a five-year moratorium on state and local taxes on mobile services and the providers of mobile services that are levied beyond generally imposed rates. The legislation would remove a much needed local government revenue source, solely to benefit an industry whose subscribership has grown by 158 percent and whose revenues have increased by 124 percent since 2000. In addition to imposing a financial burden on local governments, HR 1002 would undermine the efforts of a number of cities in California that are working to update and simplify their tax ordinances to assure technology-neutrality. These cities are working directly with voters to modernize ordinances.

This bill is on a fast track in the House and is expected to move in the next few weeks. This week Congressional members are in their districts and it is a good time for cities to make some phone calls in addition to sending the letter. While it is important for all cities who have a utility users tax (or may want one in the future) to act on this, we especially want to target Rep. Issa (CA-49: Canyon Lake, Lake Elsinor, Menifee, Oceanside, Perris, Temecula, Vista, Wildomar, and the communities of Fallbrook, Julian, and Valley Center). Rep Issa is the only CA Republican on the House Judiciary Committee (the next step in the process) that has not signed onto the bill so far. Other CA members of the Committee include Reps Gallegly (CA-24), Lungren (CA-3), Berman (CA-28), Lofgren (CA-16), Waters (CA-35), Chu (CA-32) and Linda Sanchez (CA-39).

The same bill has been introduced in the Senate (S. 543), but right now the House version seems to be the one moving. This information is also being sent out from MuniServices to their members. If you have any questions, please let me know.

Thank you,

03/29/2011

Stephen Qualls
Central Valley Regional Public Affairs Manager
League of California Cities

209-614-0118

Fax **209-883-0653**

squalls@cacities.org<<mailto:squalls@cacities.org>>

To expand and protect local control for cities through education and advocacy in order to enhance the quality of life for all Californians.

PLEASE DO NOT distribute political campaign advocacy information from public (city hall) computers, on city time, or using public resources, even if it's from your personal email account. If in doubt, check with your city attorney.

DisclaimerPlease Note: Please take the following precautions if this email is about a CITIPAC event. Though it is not illegal for you to receive this notice via a city e-mail address, you should not respond to it or forward it using public resources. You may however forward this message to your non-public e-mail account for distribution on non-public time. If you have questions about the event or need additional information, please contact Mike Egan at **(916) 658-8271** or egan@cacities.org

Stephen Qualls
Central Valley Regional Public Affairs Manager
League of California Cities

209-614-0118

Fax **209-883-0653**

squalls@cacities.org

PLEASE DO NOT distribute advocacy information from public (city hall) computers, on city time, or using public resources, even if it's from your personal email account. If in doubt, check with your city attorney.

To restore and protect local control for cities through education and advocacy in order to enhance the quality of life for all Californians.

DisclaimerPlease Note: Please take the following precautions if this email is about a CITIPAC event. Though it is not illegal for you to receive this notice via a city e-mail address, you should not respond to it or forward it using public resources. You may however forward this message to your non-public e-mail account for distribution on non-public time. If you have questions about the event or need additional information, please contact Mike Egan at **(916) 658-8271** or egan@cacities.org.